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#### MP5309.190-2 Processes When a Contractor or Subcontractor is Listed on the CRWL

Procedures for proceeding with an action listed in [AFFARS 5309.103(b)(iii)](5309_103.dita#AFFARS_5309_103) when the contractor or subcontractor is listed on the CRWL.

(a) Prime Contractors. Review the facts surrounding the decision to place the contractor on the CRWL (See [AFFARS 5309.105-1(a)(1)](5309_105_1.dita#AFFARS_5309_105_1) ) and other relevant information to determine whether to recommend proceeding with the action. The determination is documented using a contracting officer’s D&F.

(1) If the contracting officer’s determination recommends proceeding despite the contractor being listed on the CRWL, the contracting officer must obtain approval of the determination from SMC/CC before proceeding with the contract action. The contracting officer shall coordinate the D&F with the applicable COCO and SMC 2-Letter Director, SMC/JA, SMC/PI, SMC/SB (if the contractor is a small business), and SMC/PK prior to seeking SMC/CC approval. If SMC/CC does not approve the D&F, the contracting officer may not proceed with the action. If the action was a sole source contract award, entering into discussions (or equivalent activity), or a competitive contract award (i.e., pre-award actions), the contracting officer must notify the contractor in writing that it has been determined non-responsible as a result of the conditions that caused its listing on the CRWL. The determination of non-responsibility must be documented in the AFFARS Contractor Responsibility template as [tailored for SMC](https://usaf.dps.mil/sites/AFCC/afcc/knowledge_center/affars_pgi_related_documents/contractor_responsibility_DandF_tailored_for_SMC.pdf) (See [AFFARS 5309.105-2(a)(1)](5309_105_2.dita#AFFARS_5309_105_2) ). When the conditions in FAR 9.105-2(b)(2)(i) apply, the determination of non-responsibility shall be documented in FAPIIS.

(2) If the action was a sole source contract award, entering into discussions (or equivalent activity), or a competitive contract award and the contracting officer determines not to proceed with the action, the contracting officer shall make a determination of non-responsibility (which does not require SMC/CC approval) and must notify the contractor in writing that it has been determined non-responsible as a result of the conditions that caused its listing on the CRWL. The determination of non-responsibility must be documented in the AFFARS Contractor Responsibility template as [tailored for SMC](https://usaf.dps.mil/sites/AFCC/afcc/knowledge_center/affars_pgi_related_documents/contractor_responsibility_DandF_tailored_for_SMC.pdf) (See [AFFARS 5309.105-2(a)(1)](5309_105_2.dita#AFFARS_5309_105_2) ). When the conditions in FAR 9.105-2(b)(2)(i) apply, the determination of non-responsibility shall be documented in FAPIIS.

(3) When the contract action does not require the contractor to be notified, e.g., option exercise or contract modification, notification is permitted at the contracting officer’s discretion considering the type of action, previous interactions with the contractor, and other relevant circumstances.

(b) Subcontractors. Prime contractors must obtain the contracting officer’s consent to subcontract with a company listed on the CRWL before awarding a subcontract valued in excess of $3M or 5% of the prime contract value, whichever is lesser. Proposed subcontractors must disclose to the prime contractor if they are listed on the CRWL. If the prime contractor requests consent to subcontract with a contractor listed on the CRWL, review the prime contractor’s determination of subcontractor responsibility, the facts surrounding the decision to place the proposed subcontractor on the CRWL (See [AFFARS 5309.105-1(a)(1)](5309_105_1.dita#AFFARS_5309_105_1) ), and any other relevant information to determine whether or not grant consent. If the contractor’s request for subcontract consent is submitted with its competitive proposal, the contracting officer’s determination whether to grant or withhold consent must be made before entering into discussions (or equivalent activity) with the prime contractor. If the contractor’s request for subcontract consent is submitted post award, consider it upon receipt.

(1) If the contracting officer recommends granting consent despite the proposed subcontractor’s listing on the CRWL, the contracting officer must obtain approval from SMC/CC before granting consent to subcontract. The contracting officer shall document the determination to grant consent on a contracting officer’s D&F and shall coordinate the D&F with the applicable COCO and SMC 2-Letter Director, SMC/JA, SMC/PI, SMC/SB (if the subcontractor is a small business), and SMC/PK prior to seeking SMC/CC approval. If SMC/CC does not approve the D&F, the contracting officer must notify the prime contractor in writing that consent to subcontract is withheld as a result of the conditions that led to the subcontractor’s listing on the CRWL.

(2) If the contracting officer determines not to request SMC/CC approval to grant consent, the contracting officer shall notify the prime contractor in writing that consent to subcontract is withheld as a result of the conditions that led to the proposed subcontractor’s listing on the CRWL.